

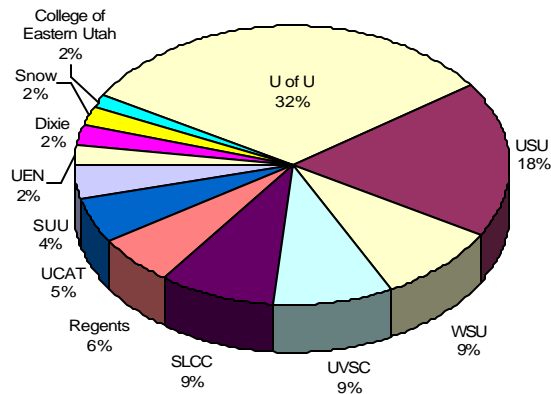


HIGHER EDUCATION

Kim Hood, Analyst

Where Will My Taxes Go for Higher Education?

(Figure Based on Total FY 2006 Funding)



Highlighted Services

(Including the Governor's Recommendations)

\$951 million for the Utah System of Higher Education

- About 128,000 students attend Utah's nine traditional colleges and universities
- Faculty and staff bring about \$425 million in external research and development grants

\$53 million for the Utah College of Applied Technology

- UCAT's nine campuses train over 50,000 adults and 13,000 secondary students in over 100 skill areas
- UCAT provides over 250,000 hours of Custom Fit training to employees of business and industry

\$25 million for the Utah Education Network (UEN)

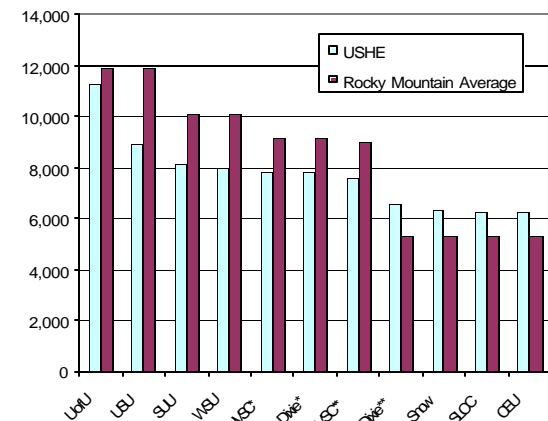
- Nearly 6,200 high school and college students take classes through the EDNET videoconferencing system
- Traffic more than doubles every 18 months on UEN's Wide Area Network, which provides over 200 mission-critical network applications for Utah schools and colleges

Governor's Recommendation Highlights

(All Funding Sources)

- \$24 million - Critical compensation issues
- \$4.7 million - Operations and maintenance for new buildings
- \$3.3 million - Rate increases for fuel and power
- \$2.5 million - Engineering initiative
- \$2.3 million - Student financial aid
- \$2.0 million - Nursing initiative

USHE Tuition as Compared to the Rocky Mountain Average



*Upper Division **Lower Division

BUDGET OVERVIEW

Higher education includes nine colleges and universities in the Utah System of Higher Education (USHE), nine applied technology campuses in the Utah College of Applied Technology (UCAT), the Utah Education Network (UEN), and the Medical Education Council (MEC). These agencies provide academic, professional, and applied technology learning opportunities designed to advance the intellectual, cultural, social, and economic well-being of the state and its people.

For FY 2006 the governor recommends that higher education receive \$1,029,859,800 in total funds. This amount includes \$685,841,600 in state funds (General Fund and Uniform School Fund), a 6.9 percent increase from the FY 2005 authorized state funds amount. As shown by the pie chart on the previous page, the majority of the funding pays for USHE.

The FY 2006 recommendation includes a block grant of \$24,012,400 in state funds (\$31,251,700 in total funds) to address critical compensation issues and to adjust funding ratios for student tuition. USHE competes in a national market for faculty and staff. The latest salary equity study shows that 47 percent of benchmarked salaries for faculty and staff are more than 10 percent below the market. These below market salaries make it difficult to compete in the marketplace to attract and retain key faculty and staff. In addition, with the shortfall in state funds, student tuition has increased to offset the impact. On average, the students' portion of the appropriated budget has increased from 25 percent to 36 percent in the last few years. The block grant allows for the flexibility to respond to the most compelling needs and maintains the accountability of the funds.

In FY 2005 the governor recommends that the capital budget receive a supplemental of

\$78,133,000 in school funds to remodel the University of Utah's Marriott Library, to build the digital learning center for Utah Valley State College (UVSC), and to build the Uintah Basin Applied Technology and Utah State University campus in Vernal. For FY 2006 the governor recommends \$18,893,000 in general obligation bonds for the remaining portion of UVSC's digital learning center.

GOVERNOR'S RECOMMENDATIONS

Utah System of Higher Education

General Fund

- Appropriate \$22,010,800 in ongoing General Fund and \$7,223,000 in ongoing dedicated credits for critical compensation issues and to adjust funding ratios for student tuition.
- Appropriate \$2,183,800 in ongoing funds for operations and maintenance for new facilities in FY 2006 and \$2,500,200 in ongoing funds for facilities built in FY 2005.
- Provide \$3,310,500 in ongoing funds to offset increases in rates for fuel and power. Currently critical funds for instruction and programs are being used to pay utility bills. The ongoing funding offsets the permanent reduction to academic budgets. With 66 percent of the state's facility inventory and over 25 million square feet of space, institutions are highly impacted by rising energy costs.
- Continue the state's engineering initiative with an appropriation of \$1,500,000 in ongoing funds and \$1,000,000 in one-time funds.
- Provide \$1,500,000 in ongoing funds and \$500,000 in one-time funds to continue the nursing initiative and qualify for the \$1,000,000 match from Utah's hospitals.

- Appropriate \$530,000 in ongoing funds and an FY 2005 supplemental of \$253,600 to meet obligations to students who qualify for New Century scholarships.
- Appropriate \$1,500,000 in ongoing funds and \$1,815,000 in one-time funds for student financial aid, teacher incentive programs, and programs for the disabled.

Utah College of Applied Technology

Uniform School Fund

- Appropriate \$1,774,100 in ongoing funds to address critical compensation issues.
- Appropriate \$2,027,800 in ongoing funds to accommodate growth in membership hours.
- Provide \$584,600 in ongoing funds for program expansion and development.
- Appropriate \$698,100 in ongoing funds and \$1,108,000 in one-time funds to purchase equipment, implement the student information system, and provide a financial officer for oversight.
- Appropriate \$500,000 in ongoing funds for Custom Fit programs to respond quickly to market needs.

Utah Education Network

General Fund

- Appropriate \$206,000 in ongoing funds to address critical compensation issues.
- Appropriate \$800,000 in one-time funds to replace the EDNET system with IP Video.
- Provide \$2,500,000 in one-time funds and \$650,000 in ongoing funds for network capacity and reliability.
- Appropriate \$500,000 in ongoing funds for the Pioneer Online Library. By sharing information through the online library and by expanding the network to rural areas, school children and teachers will have access to quality information for enhancing knowledge and educational opportunities.

Medical Education Council

General Fund

- Appropriate \$21,500 in ongoing funds to address critical compensation issues.

FY 2006 PROPOSED LEGISLATIVE INTENT

- UCAT campuses are to receive funding from the legislature prior to entering into a lease agreement.

HIGHER EDUCATION

Operating Budget

Governor Walker's Recommendations						
	Actual FY 2004	Authorized FY 2005	Supple- ments	Recommended FY 2005	Base FY 2006	Ongoing and One-time Adj.
						Total FY 2006
Plan of Financing						
General Fund	\$546,321,000	\$532,698,700	(\$23,509,300)	\$509,189,400	\$525,818,700	\$30,225,500
School Funds	71,800,000	108,865,500	23,762,900	132,628,400	108,865,500	20,931,900
Federal Funds	8,970,800	8,909,500	0	8,909,500	8,903,800	15,000
Dedicated Credits	298,194,000	317,761,500	0	317,761,500	317,806,300	7,475,600
Mineral Lease	1,428,200	1,497,900	0	1,497,900	1,542,300	(300)
Restricted and Trust Funds	8,284,500	8,284,500	0	8,284,500	8,284,500	(9,000)
Transfers	5,342,200	62,600	0	62,600	0	0
Beginning Balances	56,505,100	27,066,500	0	27,066,500	0	0
Closing Balances	(27,066,500)	0	0	0	0	0
Total Financing	\$969,779,100	\$1,005,146,700	\$253,600	\$1,005,400,300	\$971,221,100	\$58,638,700
Programs						
Higher Education						
University of Utah	\$305,842,400	\$336,214,200	\$0	\$336,214,200	\$326,494,200	\$1,169,500
Utah State University	196,600,500	196,100,900	0	196,100,900	187,181,300	1,132,000
Weber State University	98,458,000	91,961,300	0	91,961,300	93,571,100	283,400
Southern Utah University	37,845,600	40,717,000	0	40,717,000	40,155,500	(21,000)
Snow College	21,856,500	22,298,600	0	22,298,600	21,784,100	17,200
Dixie State College of Utah	27,588,200	24,304,800	0	24,304,800	24,129,500	170,300
College of Eastern Utah	14,990,500	14,951,600	0	14,951,600	15,491,900	179,100
Utah Valley State College	92,534,700	89,624,300	0	89,624,300	89,376,000	1,157,200
Salt Lake Community College	87,109,100	97,985,500	0	97,985,500	88,300,700	76,100
Regents/Statewide Programs	19,491,000	20,963,300	253,600	21,216,900	18,383,300	42,130,800
<i>Subtotal Higher Education</i>	<i>902,316,500</i>	<i>935,171,500</i>	<i>253,600</i>	<i>935,375,100</i>	<i>904,667,600</i>	<i>46,294,600</i>
Utah Education Network						
Operations	20,985,500	21,237,400	0	21,237,400	20,260,700	4,812,300
<i>Subtotal Utah Education Network</i>	<i>20,985,500</i>	<i>21,237,400</i>	<i>0</i>	<i>21,237,400</i>	<i>20,260,700</i>	<i>4,812,300</i>
Utah College of Applied Technology						
Operations	45,844,900	48,086,700	0	48,086,700	45,362,800	7,510,300
<i>Subtotal College of Applied Tech</i>	<i>45,844,900</i>	<i>48,086,700</i>	<i>0</i>	<i>48,086,700</i>	<i>45,362,800</i>	<i>7,510,300</i>
Medical Education Council						
Operations	632,200	701,100	0	701,100	730,000	21,500
<i>Subtotal Medical Ed Council</i>	<i>632,200</i>	<i>701,100</i>	<i>0</i>	<i>701,100</i>	<i>730,000</i>	<i>21,500</i>
Total Budget	\$969,779,100	\$1,005,146,700	\$253,600	\$1,005,400,300	\$971,221,100	\$58,638,700
% Change from Authorized FY 2005 to Total FY 2006						2.5%

HIGHER EDUCATION

Capital Budget

Governor Walker's Recommendations						
	Actual FY 2004	Authorized FY 2005	Supplementals	Recommended FY 2005	Base FY 2006	Total FY 2006
Plan of Financing						
School Funds	\$0	\$0	\$78,133,000	\$78,133,000	\$0	\$0
FY 2006 General Obligation Bond	0	0	0	0	0	0
Total Financing	\$0	\$0	\$78,133,000	\$78,133,000	\$0	\$0
Projects						
UofU Marriott Library Renovation & ASRS	\$0	\$0	\$48,488,000	\$48,488,000	\$0	\$0
UVSC Digital Learning Center	0	0	18,857,000	18,857,000	0	0
UBA TC/USU Vernal Campus	0	0	10,788,000	10,788,000	0	0
Total Budget	\$0	\$0	\$78,133,000	\$78,133,000	\$0	\$0
% Change from Authorized FY 2005 to Total FY 2006						\$18,893,000

HIGHER EDUCATION

UTAH SYSTEM OF HIGHER EDUCATION FY 2006 OPERATING BUDGET						
	General Fund	School Funds	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds
Beginning Base Budget						
Z1 FY 2005 appropriated budget	\$476,705,800	\$108,865,500	\$4,203,900	\$322,648,400	\$9,084,100	\$62,600
Z2 Adjustments for one-time FY 2005 appropriations	(5,705,200)	0	0	(1,715,700)	0	(62,600)
Z3 Adjustments to funding level	0	0	(100)	(9,961,800)	742,700	0
Total Beginning Base Budget - USHE	471,000,600	108,865,500	4,203,800	310,970,900	9,826,800	0
Statewide Ongoing Adjustments						
Z4 Internal service fund adjustments	(223,800)	(118,800)	(1,400)	(175,400)	(9,200)	0
<i>Subtotal Statewide Ongoing Adjustments - USHE</i>	<i>(223,800)</i>	<i>(118,800)</i>	<i>(1,400)</i>	<i>(175,400)</i>	<i>(9,200)</i>	<i>0</i>
Ongoing Adjustments						
Z5 Block grant to address critical compensation issues	22,010,800	0	0	7,223,000	0	0
Z6 FY 2006 new facilities O&M	2,183,800	0	0	0	0	0
Z7 FY 2005 new facilities O&M	2,300,200	0	0	0	0	0
Z8 Increases in fuel and power bills	3,310,500	0	0	0	0	0
Z9 Nursing Initiative - phase 2 of 3	1,300,000	0	0	0	0	0
Z10 Engineering Initiative - phase 4 of 5	1,300,000	0	0	0	0	0
Z11 Utah Education Network - bandwidth/redundancy enhancement	750,000	0	0	0	0	0
Z12 Need-based student financial aid	1,300,000	0	0	0	0	0
Z13 New Century Scholarship Program mandate	530,000	0	0	0	0	0
Z14 Funding source adjustments	25,777,000	25,777,000	0	0	0	0
<i>Subtotal Ongoing Adjustments - USHE</i>	<i>61,562,300</i>	<i>25,777,000</i>	<i>0</i>	<i>7,223,000</i>	<i>0</i>	<i>0</i>
One-time Adjustments						
Z15 Software licensing and upgrades	500,000	0	0	0	0	0
Z16 Engineering Initiative	1,000,000	0	0	0	0	0
Z17 Nursing Initiative	500,000	0	0	0	0	0
Z18 Student financial aid base maintenance - federal match	265,000	0	0	0	0	0
Z19 Student financial aid base maintenance - UCOPE	500,000	0	0	0	0	0
Z20 T.H. Bell - teacher incentive program	450,000	0	0	0	0	0
Z21 ADA accommodations	600,000	0	0	0	0	0
<i>Subtotal One-time Adjustments - USHE</i>	<i>3,815,000</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Total FY 2006 USHE Adjustments	65,153,500	(25,895,800)	(1,400)	7,047,600	(9,200)	0
Total FY 2006 USHE Operating Budget	\$836,154,100	\$82,969,700	\$4,202,400	\$318,018,500	\$9,817,500	\$0
						\$951,162,200

HIGHER EDUCATION - CONTINUED

UTAH SYSTEM OF HIGHER EDUCATION FY 2005 OPERATING BUDGET ADJUSTMENTS						
	General Fund	School Funds	Federal Funds	Dedicated Credits	Restricted Funds	Total Funds
Supplemental Adjustments						
ZZ New Century Scholarship Program mandate	\$253,600	\$0	\$0	\$0	\$0	\$253,600
ZS Funding source adjustments	16,209,000	16,209,000	0	0	0	0
Subtotal Supplemental Adjustments - USHE	16,462,600	16,209,000	0	0	0	253,600
Total FY 2005 USHE Budget Adjustments	\$16,462,600	(\$16,209,000)	\$0	\$0	\$0	\$253,600
UTAH SYSTEM OF HIGHER EDUCATION FY 2005 CAPITAL BUDGET ADJUSTMENTS						
	General Fund	School Funds	Federal Funds	Dedicated Credits	Restricted Funds	Total Funds
Supplemental Adjustments						
Z4 UofU - Marriott Library renovation & ASRS	\$0	\$48,488,000	\$0	\$0	\$0	\$48,488,000
Z5 UVSC - digital learning center	0	18,857,000	0	0	0	18,857,000
Subtotal Supplemental Capital Adjustments - USHE	0	67,345,000	0	0	0	67,345,000
Total FY 2005 USHE Capital Adjustments	\$0	\$67,345,000	\$0	\$0	\$0	\$67,345,000
UTAH EDUCATION NETWORK FY 2006 OPERATING BUDGET						
	General Fund	School Funds	Federal Funds	Dedicated Credits	Restricted Funds	Total Funds
Beginning Base Budget						
Z6 FY 2005 appropriated budget	\$15,998,000	\$0	\$4,705,600	\$508,000	\$0	\$21,211,600
Z7 Adjustments for one-time FY 2005 appropriations	(945,300)	0	0	0	0	(945,300)
Z8 Adjustments to funding levels	0	0	(5,600)	0	0	(5,600)
Total Beginning Base Budget - Utah Education Network	15,052,700	0	4,700,000	508,000	0	20,260,700
Ongoing Adjustments						
Z9 Block grants to address critical compensation issues	206,000	0	16,400	0	0	222,400
Z0 Network reliability, capacity, and security - replace one-time funds	400,000	0	0	0	0	400,000
Z1 Enterprise-level technology support - replace one-time funds	140,000	0	0	0	0	140,000
Z2 Network capacity and reliability	250,000	0	0	0	0	250,000
Z3 Pioneer Online Library	500,000	0	0	0	0	500,000
Subtotal Ongoing Adjustments - Utah Education Network	1,496,000	0	16,400	0	0	1,512,400
One-time Adjustments						
Z4 Network capacity and reliability	2,300,000	0	0	0	0	2,300,000
Z5 EDNET conversion	800,000	0	0	0	0	800,000
Subtotal One-time Adjustments - Utah Education Network	3,100,000	0	0	0	0	3,100,000
Total FY 2006 Utah Education Network Adjustments	4,796,000	0	16,400	0	0	4,812,400
Total FY 2006 Utah Education Network Operating Budget	\$19,848,700	\$0	\$4,716,400	\$508,000	\$0	\$25,073,100

HIGHER EDUCATION - CONTINUED

UTAH COLLEGE OF APPLIED TECHNOLOGY FY 2006 OPERATING BUDGET							
Beginning Base Budget							
	General Fund	School Funds	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
236 FY 2005 appropriated budget	\$39,971,900	\$0	\$0	\$4,893,500	\$0	\$0	\$44,865,400
237 Adjustments for one-time FY 2005 appropriations	(226,400)	0	0	0	0	0	(226,400)
238 Adjustments to funding levels	0	0	0	733,800	0	0	733,800
Total Beginning Base Budget - UCAI	\$39,745,500	0	0	5,617,300	0	0	45,362,800
Statewide Ongoing Adjustments							
239 Internal service fund adjustments	0	(6,300)	0	(1,100)	0	0	(7,600)
Subtotal Statewide Ongoing Adjustments - UCAI	0	(6,300)	0	(1,100)	0	0	(7,600)
Ongoing Adjustments							
240 Block grants to address critical compensation issues	0	1,774,100	0	0	0	0	1,774,100
241 Membership hour growth	0	2,027,800	0	367,200	0	0	2,395,200
242 Program development and expansion	0	584,600	0	61,600	0	0	646,200
243 Database management information system - MIS officer	0	114,800	0	0	0	0	114,800
244 UCAI - chief financial officer	0	101,300	0	0	0	0	101,300
245 UCAI - student information system	0	482,000	0	0	0	0	482,000
246 UCAI - Custom Fit	0	500,000	0	0	0	0	500,000
247 UCAI - accreditation	0	75,000	0	0	0	0	75,000
248 UCAI - library consortium	0	75,000	0	0	0	0	75,000
249 ADA accommodations	0	237,000	0	0	0	0	237,000
250 O&M - Ogden/Weber building 10-A	0	9,100	0	0	0	0	9,100
251 Funding source adjustment	(39,745,500)	39,745,500	0	0	0	0	0
Subtotal Ongoing Adjustments - UCAI	(39,745,500)	45,726,200	0	428,100	0	0	6,409,800
One-time Adjustments							
252 MIS - student information system	0	108,000	0	0	0	0	108,000
253 Equipment purchases	0	1,000,000	0	0	0	0	1,000,000
Subtotal One-time Adjustments - UCAI	0	1,108,000	0	0	0	0	1,108,000
Total FY 2006 UCAI Adjustments	(39,745,500)	46,827,700	0	428,100	0	0	7,510,200
Total FY 2006 UCAI Operating Budget	\$0	\$46,827,700	\$0	\$6,045,300	\$0	\$0	\$52,873,000
UTAH COLLEGE OF APPLIED TECHNOLOGY FY 2005 OPERATING BUDGET ADJUSTMENTS							
Supplemental Adjustments							
254 Funding source adjustment	(339,971,900)	\$39,971,900	\$0	\$0	\$0	\$0	\$0
Subtotal Supplemental Adjustments - UCAI	(339,971,900)	39,971,900	0	0	0	0	0
Total FY 2005 UCAI Budget Adjustments	(339,971,900)	\$39,971,900	\$0	\$0	\$0	\$0	\$0

HIGHER EDUCATION - CONTINUED

UTAH COLLEGE OF APPLIED TECHNOLOGY FY 2005 CAPITAL BUDGET ADJUSTMENTS						
Supplemental Adjustments						
General Fund	School Funds	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
25	Utah Basin Applied Technology/USU Vernal campus	\$0	\$10,788,000	\$0	\$0	\$10,788,000
	Subtotal Supplemental Capital Adjustments - UCAT	0	10,788,000	0	0	10,788,000
Total FY 2005 UCAT Capital Adjustments	\$0	\$10,788,000	\$0	\$0	\$0	\$10,788,000
MEDICAL EDUCATION COUNCIL FY 2006 OPERATING BUDGET						
Beginning Base Budget						
26	FY 2005 appropriated budget	\$23,000	\$0	\$0	\$0	\$23,000
27	Adjustments for one-time FY 2005 appropriations	(3,100)	0	0	0	(3,100)
28	Adjustments to funding levels	0	0	710,100	0	710,100
Total Beginning Base Budget - MEC	19,900	0	0	710,100	0	730,000
Ongoing Adjustments						
29	Block grants to address critical compensation issues	21,500	0	0	0	21,500
	Subtotal Ongoing Adjustments - MEC	21,500	0	0	0	21,500
Total FY 2006 MEC Adjustments	21,500	0	0	0	0	21,500
Total FY 2006 Medical Education Council Operating Budget	\$41,400	\$0	\$0	\$710,100	\$0	\$751,500
HIGHER EDUCATION TOTALS						
FY 2006 Operating Base Budget	\$525,818,700	\$108,865,500	\$8,903,800	\$317,806,300	\$9,826,800	\$971,221,100
FY 2006 Operating Ongoing and One-time Adjustments	30,205,500	20,921,000	15,000	7,475,600	(9,200)	58,628,700
FY 2006 Operating Recommendation	556,044,200	129,797,400	8,918,800	325,281,900	9,817,600	1,029,899,800
FY 2005 Operating Adjustments	(23,309,200)	23,762,900	0	0	0	253,600
FY 2005 Capital Adjustments	0	78,133,000	0	0	0	78,133,000

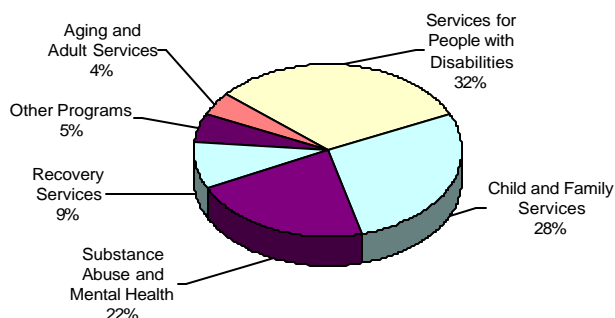


HUMAN SERVICES

Stephen Jardine, Analyst

Where Will My Taxes Go for Human Services?

(Figure Based on Total FY 2006 Funding)



Highlighted Services

(Including the Governor's Recommendations)

\$167 million for Services for People with Disabilities

- Provides in-home and self-directed support services for about 2,700 disabled individuals, and day services and supported employment for about 2,600 disabled individuals annually
- Provides residential services at the State Developmental Center for an estimated 230 disabled individuals and in the community for an estimated 1,443 individuals

\$144 million for Child and Family Services

- Investigates approximately 21,000 reported incidents of abuse and neglect each year
- Serves about 3,800 children in foster care settings
- Provides in-home services for approximately 18,600 children and families annually

\$114 million for Substance Abuse and Mental Health

- Provides treatment to an estimated 700 individuals with severe mental illness at the Utah State Hospital
- Treats approximately 43,000 individuals for mental illnesses and 20,000 individuals each year for substance abuse through local authority mental health centers and local authority substance abuse programs

\$95 million for other programs

Governor's Recommendation Highlights

(All Funding Sources)

Services for People with Disabilities

- \$6.6 million - Fund services to an estimated 486 individuals with disabilities currently on a waiting list

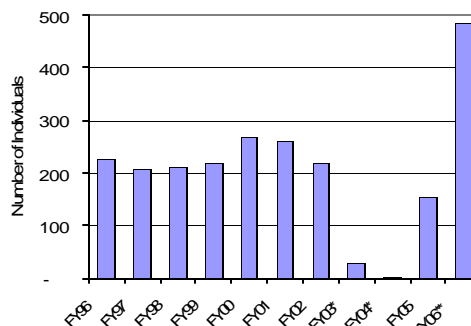
Child and Family Services

- \$6.8 million - Caseload growth for Out-of-Home Care and adoption subsidies

Substance Abuse and Mental Health

- \$3.3 million - Replace funding losses encountered by local mental health centers due to changes in federal Medicaid policy

Number of People Entering Services from the Disability Waiting List



*Consecutive years of declining state revenue limited the number of people entering services

**Recommended

BUDGET OVERVIEW

The Department of Human Services (Human Services), as represented here, includes all divisions and offices in the department except the Division of Juvenile Justice Services which is included for appropriation summary purposes in the Corrections (Adult and Juvenile) section. Through the various divisions and offices the department helps individuals and families resolve personal problems.

For FY 2006 the governor recommends Human Services receive \$520,847,600 in total funds. This amount includes \$230,964,400 in General Fund, an 11.7 percent increase from the FY 2005 authorized General Fund amount. As shown in the pie chart on the previous page, the three major components of Human Services' budget are the Division of Services for People with Disabilities (DSPD), the Division of Child and Family Services (DCFS), and the Division of Substance Abuse and Mental Health (DSAMH). DSPD provides a wide range of services and assistance for citizens with disabilities. DCFS oversees abuse and neglect investigations, foster care, and domestic violence programs. DSAMH oversees local mental health centers, substance abuse treatment and prevention services, and operates the Utah State Hospital for the severely mentally ill.

In addition to fully funding health and dental rate increases, the governor's recommended FY 2006 appropriation includes \$2,806,100 in General Fund (\$6,475,400 in total funds) to provide employees with a 3.0 percent cost-of-living salary adjustment and market comparability adjustments. Although employees were given a slight increase for FY 2005, no increases were given in FY 2003 or FY 2004.

GOVERNOR'S RECOMMENDATIONS

General Fund

- Support passage of the *Drug Offenders Reform Act* (DORA) by recommending \$4,297,500 in

ongoing funds for assessment and treatment of drug offenders.

- Fund \$2,147,000 in ongoing funds and \$1,252,400 in FY 2005 supplemental funds to reopen 26 forensic beds at the Utah State Hospital.
- Allocate \$3,260,000 in ongoing funds to replace funding losses experienced by local mental health centers through changes in federal Medicaid policy.
- Provide \$2,122,900 in ongoing General Fund (\$6,613,700 in ongoing total funds) to finance additional services to an estimated 486 individuals with disabilities currently on a waiting list.
- Replace lost federal incentive funds to the Office of Recovery Services with \$553,100 in ongoing General Fund to maintain current service levels.
- Provide \$1,642,800 in ongoing General Fund (\$3,020,400 in ongoing total funds) to pay for increases in DCFS out-of-home care for foster children and youth.
- Provide \$2,055,400 in ongoing General Fund (\$3,741,900 in ongoing total funds) to pay for DCFS adoption assistance.
- Fund \$100,000 in ongoing funds to ensure statewide coverage of domestic violence treatment services.
- Fund \$626,000 in ongoing funds to extend medical coverage for foster youth up through age 20.
- Provide \$269,500 in one-time General Fund (\$328,600 in one-time total funds) to pay for court monitor costs in connection with the *David C.* child welfare lawsuit.
- Provide \$200,000 in ongoing funds for senior meals.

- Provide \$1,460,200 in ongoing General Fund (\$2,614,300 in ongoing total funds) for a 2.0 percent cost-of-living increase, calculated on the state General Fund portion of payments to local mental health, substance abuse, and aging providers, as well as for service providers who contract with DSPD and DCFS.
- Replace lost federal Medicaid matching revenue with \$1,892,100 in ongoing funds.

Other Funds

- Increase the ongoing spending authority by \$300,000 for the Driving Under the Influence (DUI) Fines Restricted Fund.
- Increase the authorization by three FTEs in FY 2005 for the data processing internal service fund.

FY 2005 PROPOSED LEGISLATIVE INTENT

- Funds appropriated to Drug Courts/Drug Board from the Tobacco Settlement Restricted Account for FY 2005 are nonlapsing.
- If funds are available, DSAMH is authorized to not lapse up to \$65,000 at the end of FY 2005. These funds are to be used for the purchase of computer equipment and software, capital equipment or improvements, and equipment or supplies.
- Funds appropriated in FY 2005 to counties to replace lost federal Medicaid revenue should not be passed through the funding formula based upon Section 62A-15-108 (2) (c), UCA. Given that the financial impact on each county is unique, this would meet the criteria provided in Section 62A-15-108 (2) (c), UCA, which exempts funds provided "to meet needs only within their local areas" from the formula.

Funds passed through to counties to replace lost federal Medicaid revenue should not require a local match. Counties previously provided the match with regard to the lost federal Medicaid

revenue. Funds previously used by counties to match the lost Medicaid revenue shall now be spent in providing services to non-Medicaid clients.

The distribution of funds to counties should be based upon each local mental health center's percentage of the total financial impact as submitted to DSAMH in July 2004 and agreed to by local mental health center directors at their association meeting on October 14, 2004. This distribution would provide that the \$815,000 be directed as follows: \$47,700 (5.9 percent) to Bear River Mental Health, \$46,500 (5.7 percent) to Central Utah Mental Health, \$81,300 (10 percent) to Davis Behavioral Health, \$50,400 (6.2 percent) to Four Corners Behavioral Health, \$7,200 (0.9 percent) to Heber Valley Mental Health, \$26,800 (3.3 percent) to Northeastern Counseling Center, \$87,100 (10.7 percent) to Southwest Behavioral Health, \$155,200 (19 percent) to Wasatch Mental Health, \$165,000 (20.2 percent) to Weber Human Services, and \$147,800 (18.1 percent) to Valley Mental Health.

These funds, along with the county match associated with the lost Medicaid revenue, are to be used solely to provide services to the non-Medicaid population who meet the criteria for services within the public mental health system. Information regarding the number of clients served and services provided with this additional General Fund and the county match remaining in the system shall be reported to the Health and Human Services Appropriations Subcommittee during the 2006 General Session.

- If funds are available, DCFS is authorized to not lapse up to \$50,000 at the end of FY 2005. These funds are to be used for the purchase of computer equipment and software.
- If funds are available, DCFS is authorized to purchase up to six additional vehicles.

- If funds are available, the Division of Aging and Adult Services is authorized to not lapse up to \$100,000. These funds are to be used for senior center renovations and to assist with vehicle maintenance and replacements within local area agencies on aging.

FY 2006 PROPOSED LEGISLATIVE INTENT

- Funds appropriated in FY 2006 to counties to replace lost federal Medicaid revenue should not be passed through the funding formula based upon Section 62A-15-108 (2) (c), UCA. Given that the financial impact on each county is unique, this would meet the criteria provided in Section 62A-15-108 (2) (c), UCA, which exempts funds provided "to meet needs only within their local areas" from the formula.

Funds passed through to counties to replace lost federal Medicaid revenue should not require a local match. Counties previously provided the match with regard to the lost federal Medicaid revenue. Funds previously used by counties to match the lost Medicaid revenue shall now be spent in providing services to non-Medicaid clients.

The distribution of funds to counties should be based upon each local mental health center's percentage of the total financial impact as submitted to DSAMH in July 2004 and agreed to by local mental health center directors at their association meeting on October 14, 2004. This distribution would provide that the \$3,260,000 be directed as follows: \$190,800 (5.9 percent) to Bear River Mental Health, \$185,900 (5.7 percent) to Central Utah Mental Health, \$325,200 (10 percent) to Davis Behavioral Health, \$201,500 (6.2 percent) to Four Corners Behavioral Health, \$28,800 (0.9 percent) to Heber Valley Mental Health, \$107,100 (3.3 percent) to Northeastern Counseling Center, \$348,400 (10.7 percent) to Southwest Behavioral Health, \$620,700 (19 percent) to Wasatch Mental Health, \$660,000 (20.2 per-

cent) to Weber Human Services, and \$591,600 (18.1 percent) to Valley Mental Health.

These funds, along with the county match associated with the lost Medicaid revenue, are to be used solely to provide services to the non-Medicaid population who meet the criteria for services within the public mental health system. Information regarding the number of clients served and services provided with this additional General Fund and the county match remaining in the system shall be reported to the Health and Human Services Appropriations Subcommittee during the 2006 General Session.

- Funds previously appropriated to the Office of Technology for the electronic Resource Eligibility Program (e-REP) enhancements are nonlapsing.
- DSPD is to use nonlapsing funds carried over from FY 2005 to provide services for: 1) individuals needing emergency services, 2) individuals needing additional waiver services, 3) individuals aging out of state custody from the divisions of Child and Family Services and Juvenile Justice Services, and 4) individuals court ordered into DSPD services. DSPD will use generated budget savings to continue funding services for these people through FY 2006. DSPD will report to the Office of the Legislative Fiscal Analyst on progress to generate these cost savings.
- Funds previously appropriated to the Office of Recovery Services for e-REP enhancements are nonlapsing.
- Funds appropriated for FY 2006 for the Out-of-Home Care program in DCFS are nonlapsing at the end of FY 2006 and are to be used for the Out-of-Home Care program.
- Funds appropriated for FY 2006 for the Adoption Assistance program in DCFS are

nonlapsing at the end of FY 2006 and are to be used for adoption assistance programs.

- Funds appropriated to DCFS for Adoption Assistance may be used to hire up to six positions to provide post-adoption support. This support will provide adoptive parents with information, services, and counseling in an effort to prevent adoptive placements from

failing, and to ensure efficient and appropriate services and accountability of funds. The division will track Adoption Assistance funds transferred as well as estimated savings resulting from this effort and report back to the Health and Human Services Appropriations Subcommittee during the 2006 General Session to determine the value of continuing this post-adoption support effort.

HUMAN SERVICES

Operating Budget

Governor Walker's Recommendations						
	Actual FY 2004	Authorized FY 2005	Supple- mentals	Recommended FY 2005	Base FY 2006	Ongoing and One-time Adj.
						Total FY 2006
Plan of Financing						
General Fund	\$200,490,600	\$206,680,500	\$4,172,800	\$210,853,300	\$204,777,000	\$230,964,400
Federal Funds	116,831,000	123,717,600	851,900	124,569,500	120,671,200	125,170,500
Dedicated Credits	8,283,300	8,379,400	0	8,379,400	8,420,400	8,936,200
Restricted and Trust Funds	4,282,200	3,947,200	0	3,947,200	3,947,200	4,360,800
Transfers	142,280,400	141,934,600	(217,300)	141,717,300	141,087,400	148,896,500
Beginning Balances	4,152,600	6,705,300	0	6,705,300	4,592,700	4,592,700
Closing Balances	(6,705,300)	(4,592,700)	0	(4,592,700)	(2,073,500)	(2,073,500)
Lapsing Funds	(2,203,600)	0	0	0	0	0
Total Financing	\$467,411,200	\$486,771,900	\$4,807,400	\$491,579,300	\$481,422,400	\$520,847,600
Programs						
Human Services						
Executive Director Operations	\$18,338,400	\$20,305,900	\$0	\$20,305,900	\$19,696,200	\$20,710,900
Drug Courts/Drug Board	1,647,200	1,647,200	0	1,647,200	1,647,200	6,110,700
Substance Abuse and Mental Health	104,096,300	108,582,600	3,254,800	111,837,400	105,403,700	114,490,000
Services for People w/ Disabilities	153,193,300	156,429,400	0	156,429,400	156,125,900	166,746,100
Recovery Services	41,764,500	44,840,000	170,000	45,010,000	44,670,500	46,848,500
Child and Family Services	127,707,300	133,228,800	1,382,600	134,611,400	132,576,300	144,021,500
Aging and Adult Services	20,644,000	21,738,000	0	21,738,000	21,302,600	21,919,900
Total Budget	\$467,411,200	\$486,771,900	\$4,807,400	\$491,579,300	\$481,422,400	\$520,847,600
% Change from Authorized FY 2005 to Total FY 2006						7.0%
FTE Positions	--	3,632.1	27.7	3,659.8	3,628.3	3,697.5
						69.2

HUMAN SERVICES

HUMAN SERVICES FY 2006 OPERATING BUDGET						
	General Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
Beginning Base Budget						
J1 FY 2005 appropriated budget	\$206,680,500	\$122,090,300	\$12,024,900	\$3,947,200	\$140,030,200	\$484,773,100
J2 Adjustments for one-time FY 2005 appropriations	(1,802,700)	(492,200)	(87,300)	0	(1,085,200)	(3,467,400)
J3 Program transfers to DWS for the Gov.'s Commission on Marriage	(100,800)	0	0	0	0	(100,800)
J4 Adjustments to funding levels	0	(936,900)	(3,517,200)	0	4,961,000	217,500
Total Beginning Base Budget - Human Services	204,777,000	120,671,200	8,420,400	3,947,200	143,606,000	481,422,400
Statewide Ongoing Adjustments						
J5 Cost-of-living adjustments of 3%	2,115,300	1,232,700	147,900	7,800	1,141,200	4,644,900
J6 Internal service fund adjustments	(17,600)	(126,200)	2,100	0	(4,300)	(146,000)
J7 Market comparability adjustments	690,800	672,300	75,200	0	392,200	1,830,500
J8 Insurance rate adjustments	1,543,100	875,400	113,400	5,800	923,300	3,461,000
<i>Subtotal Statewide Ongoing Adjustments - Human Services</i>	<i>4,331,600</i>	<i>2,654,200</i>	<i>338,600</i>	<i>13,600</i>	<i>2,452,400</i>	<i>9,790,400</i>
Ongoing Adjustments						
J9 Drug Courts - funding for Drug Offender Reform Act	4,297,500	0	0	0	0	4,297,500
J10 Drug Courts - increase in authorization	0	0	0	0	166,000	166,000
J11 State Hospital - reopen 26 forensic beds	2,147,100	0	0	0	0	2,147,100
J12 State Hospital - forensic clinical and OSHA standards	305,100	0	0	0	0	305,100
J13 State Hospital - increase in medical costs	145,200	0	14,900	0	26,000	186,100
J14 State Hospital - nursing personnel	34,000	0	11,300	0	0	45,300
J15 Mental Health - impact of Medicaid policy changes on local mental health	3,260,000	0	0	0	0	3,260,000
J16 Mental Health - autism - convert one-time funding to ongoing	50,000	0	0	0	0	50,000
J17 Mental Health - increase in PASRR required evaluations	87,500	0	0	0	262,400	349,900
J18 Mental Health - increase in required competency evaluations	67,600	0	0	0	0	67,600
J19 Mental Health - autism - 2% cost-of-living adjustment	25,800	0	0	0	0	25,800
J20 Mental Health - local mental health - 2% cost-of-living adjustment	315,200	0	0	0	0	315,200
J21 Substance Abuse - DUI Fines Rest. Fund - increase in authorization	0	0	0	300,000	0	300,000
J22 Substance Abuse - local substance abuse - 2% cost-of-living adjustment	137,400	0	0	0	0	137,400
J23 People with Disabilities - Dev. Center - increase in medical costs	22,700	0	0	0	58,600	81,300
J24 People with Disabilities - Dev. Center - nursing personnel	7,800	0	0	0	19,900	27,700
J25 People with Disabilities - fund 25% of the waiting list	2,122,900	0	0	0	4,490,800	6,613,700
J26 People with Disabilities - use of the Trust Fund	0	0	0	100,000	233,000	333,000
J27 People with Disabilities - local providers - 2% cost-of-living adjustment	503,600	0	0	0	857,500	1,361,100
J28 Recovery Services - IT utilization increases	72,100	105,400	0	0	7,400	184,900
J29 Recovery Services - phase out of federal incentive funds	553,100	(553,100)	0	0	0	0
J30 Child and Family Services - out-of-home care caseload increase	1,642,800	348,300	151,000	0	878,300	3,020,400
J31 Child and Family Services - adoption subsidy caseload increase	2,055,400	1,686,500	0	0	0	3,741,900
J32 Child and Family Services - caseload increases - additional workers	314,200	63,000	0	0	0	377,200
J33 Child and Family Services - ensure statewide domestic violence treatment	100,000	0	0	0	0	100,000

HUMAN SERVICES - CONTINUED

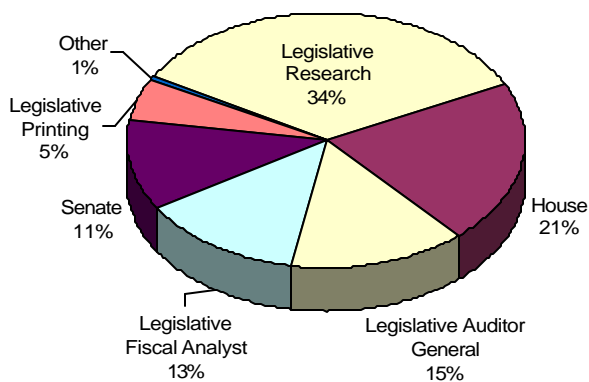
	General Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
J34 Child and Family Services - foster youth - extend medical coverage	626,000	0	0	0	0	626,000
J35 Child and Family Services - funding for Medical Board Review legislation	80,000	0	0	0	0	80,000
J36 Child and Family Services - local providers - 2% cost-of-living adjustment	374,400	172,400	0	0	124,200	671,000
J37 Aging and Adult Services - Long-term Care Ombudsman program	43,000	8,200	0	0	0	51,200
J38 Aging and Adult Services - meals - convert one-time to ongoing funding	200,000	0	0	0	0	200,000
J39 Aging and Adult Services - authorization for senior technology showcase	0	80,000	0	0	0	80,000
J40 Aging and Adult Services - local aging - 2% cost-of-living adjustment	103,800	0	0	0	0	103,800
J41 Department - replace loss due to federal match rate change	1,892,100	(124,700)	0	0	(1,767,400)	0
<i>Subtotal Ongoing Adjustments - Human Services</i>	21,586,300	1,786,000	177,200	400,000	5,356,700	29,306,200
One-time Adjustments						
J42 Child and Family Services - David C. count-ordered costs	269,500	59,100	0	0	0	328,600
<i>Subtotal One-time Adjustments - Human Services</i>	269,500	59,100	0	0	0	328,600
Total FY 2006 Human Services Adjustments	26,187,400	4,499,300	515,800	413,600	7,809,100	39,425,200
Total FY 2006 Human Services Operating Budget	\$230,964,400	\$125,176,500	\$8,936,200	\$4,360,800	\$151,415,700	\$520,847,600
HUMAN SERVICES FY 2005 OPERATING BUDGET ADJUSTMENTS						
Supplemental Adjustments						
J43 State Hospital - reopen 26 forensic beds	\$1,252,400	\$0	\$0	\$0	\$0	\$1,252,400
J44 State Hospital - forensic clinical and OSHA standards	76,300	0	0	0	0	76,300
J45 Mental Health - federal maintenance of effort violation	745,400	0	0	0	0	745,400
J46 Mental Health - impact of Medicaid policy changes on local mental health	815,000	0	0	0	0	815,000
J47 Substance Abuse - federal maintenance of effort violation	365,700	0	0	0	0	365,700
J48 Recovery Services - IT utilization increases	66,300	96,900	0	0	6,800	170,000
J49 Child and Family Services - adoption subsidy case load increase	851,700	755,000	0	0	(224,100)	1,382,600
<i>Subtotal Supplemental Adjustments - Human Services</i>	4,172,800	851,900	0	0	(217,300)	4,807,400
Total FY 2005 Human Services Budget Adjustments	\$4,172,800	\$851,900	\$0	\$0	(\$217,300)	\$4,807,400
HUMAN SERVICES TOTALS						
FY 2006 Operating Beginning Base Budget	\$204,777,000	\$120,671,200	\$8,420,400	\$3,947,200	\$143,606,600	\$481,422,400
FY 2006 Operating Ongoing and One-time Adjustments	26,187,400	4,499,300	515,800	413,600	7,809,100	39,425,200
FY 2006 Operating Recommendation	230,964,400	125,170,500	8,936,200	4,360,800	151,415,700	520,847,600
FY 2005 Operating Adjustments	4,172,800	851,900	0	0	(217,300)	4,807,400



LEGISLATURE

Hunter Finch, Analyst

Where Will My Taxes Go for Legislature? (Figure Based on Total FY 2006 Funding)



HIGHLIGHTED SERVICES

\$5 million for House and Senate

\$5 million for Legislative Research and General Counsel

\$2 million for Legislative Fiscal Analyst

\$2 million for Legislative Auditor General

\$1 million for Legislative Printing

\$55,000 for Constitutional Revision Commission

\$50,000 for Tax Review Commission

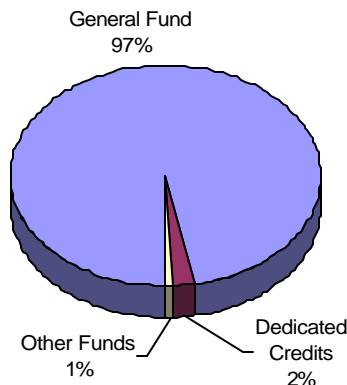
BUDGET OVERVIEW

Legislature consists of the House of Representatives, the Senate, the Office of Legislative Research and General Counsel, the Office of the Legislative Fiscal Analyst, the Legislative Auditor General, Legislative Printing, and the Tax Review and Constitutional Revision commissions. The state legislature consists of two houses—the House of Representatives with 75 members elected to two-year terms and the Senate with 29 members elected to four-year terms. Each representative represents about 33,700 constituents. Each senator represents about 87,100 constituents.

For FY 2006 the governor recommends the legislature receive \$15,469,800 in total funds. This amount includes \$15,016,400 in General Fund, a 4.1 percent increase from the FY 2005 authorized General Fund appropriation.

The FY 2006 recommendation includes \$280,200 in General Fund to provide employees with a 3.0 percent cost-of-living salary adjustment and market comparability adjustments.

FY 2006 Legislature Operating Budget



LEGISLATURE

Operating Budget

	Governor Walker's Recommendations			
	Actual FY 2004	Authorized FY 2005	Legislature's Request FY 2006 ^(a)	Base FY 2006 Ongoing and One-time Adj. Total FY 2006
Plan of Financing				
General Fund	\$14,580,300	\$14,419,200	\$14,624,500	\$14,356,700
Dedicated Credits	220,300	320,300	320,500	320,500
Beginning Balances	2,861,300	2,866,000	2,521,200	2,521,200
Closing Balances	(2,866,000)	(2,521,200)	(2,388,400)	(2,388,400)
Total Financing	\$14,795,900	\$15,084,500	\$15,077,800	\$15,469,800
Programs				
Legislature				
Senate	\$1,737,000	\$1,683,250	\$1,684,050	\$42,700
House of Representatives	2,963,100	3,084,250	3,112,550	110,100
Legislative Printing	800,100	812,100	808,500	9,700
Legislative Research	494,200	5,117,800	5,165,600	207,600
Tax Review Commission	48,100	50,000	50,000	0
Legislative Fiscal Analyst	2,281,800	2,149,100	2,013,000	56,000
Legislative Auditor General	1,961,900	2,133,000	2,186,100	233,700
Constitutional Revision Commission	61,600	55,000	55,000	0
Total Budget	\$14,795,900	\$15,084,500	\$15,077,800	\$15,469,800
% Change from Authorized FY 2005 to Total FY 2006				2.6%
FTE Positions	--	116.0	116.0	0.0

(a) As per statute, the legislature's request is included without changes.

LEGISLATURE

LEGISLATURE FY 2006 OPERATING BUDGET						
	General Fund	Transportation Fund	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
Beginning Base Budget						
X1 FY 2005 appropriated budget	\$14,419,200	\$0	\$320,500	\$0	\$301,700	\$15,041,400
X2 Adjustments for one-time FY 2005 appropriations	(62,500)	0	0	0	0	(62,500)
X3 Adjustments to funding level	0	0	0	0	(168,900)	(168,900)
Total Beginning Base Budget - Legislature	14,356,700	0	320,500	0	132,800	14,810,000
Statewide Ongoing Adjustments						
X4 Cost-of-living adjustments of 3%	278,700	0	0	0	0	278,700
X5 Internal service fund adjustments	6,100	0	100	0	0	6,200
X6 Market comparability adjustments	1,500	0	0	0	0	1,500
X7 Insurance rate adjustments	105,600	0	0	0	0	105,600
<i>Subtotal Statewide Ongoing Adjustments - Legislature</i>	<i>391,900</i>	<i>0</i>	<i>100</i>	<i>0</i>	<i>0</i>	<i>392,000</i>
Ongoing Adjustments						
X8 Senate - increase fees and costs	1,500	0	0	0	0	1,500
X9 House of Representatives - increased fees and costs	38,300	0	0	0	0	38,300
X10 Legislative Research and General Counsel - workload	60,000	0	0	0	0	60,000
X11 Legislative Auditor General - workload	168,000	0	0	0	0	168,000
<i>Subtotal Ongoing Adjustments - Legislature</i>	<i>267,800</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>267,800</i>
Total FY 2006 Legislature Adjustments	659,700	0	100	0	0	659,800
Total FY 2006 Legislature Operating Budget	\$15,016,400	\$0	\$320,600	\$0	\$132,800	\$15,469,800
LEGISLATURE TOTALS						
FY 2006 Operating Base Budget	\$14,356,700	\$0	\$320,500	\$0	\$132,800	\$14,810,000
FY 2006 Operating Ongoing and One-time Adjustments	659,700	0	100	0	0	659,800
FY 2006 Operating Recommendation	15,016,400	0	320,600	0	132,800	15,469,800

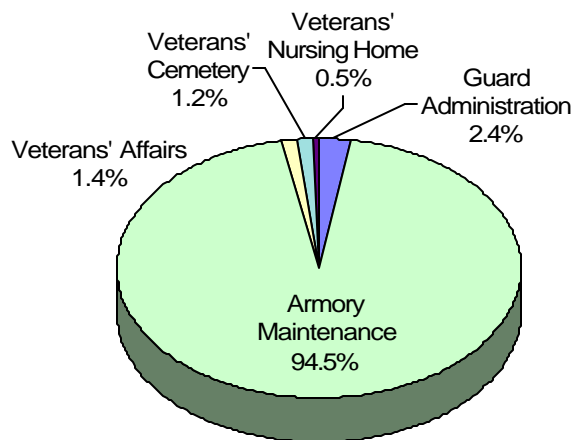


NATIONAL GUARD

Joseph Brown, Analyst

Where Will My Taxes Go for National Guard?

(Figure Based on Total FY 2006 Funding)



Highlighted Services

(Including the Governor's Recommendations)

\$25 million for the National Guard

- Includes the Air Guard base and Camp Williams training facility
- 96 percent of the Guard's total budget flows back into the state economy
- Receives approximately 350 formal requests for community support annually
- Has 6,400 active members
- Operates 21 armories throughout the state

Utah Army National Guard Units

97th Troop Command

300th Military Intelligence Brigade

211th Aviation Group (Attack)

640th Regional Training Institute

I Corps Artillery

115th Engineer Group

19th Special Forces Group

Army Garrison Camp Williams

Utah Air National Guard Units

151st Air Refueling Wing

109th Air Control Squadron

299th Range Control Squadron

130th Eng. Installation Squadron

169th Intelligence Squadron

101st Information Warfare Flight

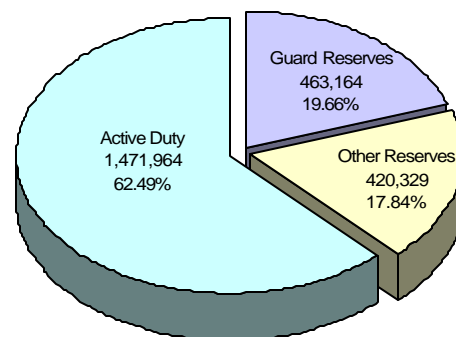
191st Refueling Squadron

Governor's Recommendation Highlights

(All Funding Sources)

- \$500,000 - Tuition assistance
- \$117,500 - Armory maintenance (also \$117,500 FY 2005 supplemental)
- \$100,000 - Outreach program for veterans

Total Military Force Composition



BUDGET OVERVIEW

The National Guard provides trained and disciplined forces for domestic emergencies, participates in community programs that add value to America, and maintains properly trained and equipped units for prompt mobilization in case of war or natural emergencies.

For FY 2006 the governor recommends that the National Guard receive \$24,809,400 in total funds. This amount includes \$5,404,200 in General Fund, a 20.1 percent increase from the FY 2005 authorized General Fund amount. Over half of this increase is due to a \$500,000 recommendation for tuition assistance.

In addition to fully funding health and dental rate increases, the FY 2006 recommended appropriation includes \$145,400 in General Fund (\$786,600 in total funds) to provide employees with a 3.0 percent cost-of-living salary adjustment and market comparability adjustments. Although employees were given a slight increase for FY 2005, no increases were given in FY 2003 and FY 2004.

GOVERNOR'S RECOMMENDATIONS

General Fund

- Increase funding for operations and maintenance with an FY 2005 supplemental of \$117,500 and an ongoing appropriation of \$117,500.
- Provide ongoing funds of \$27,200 for increased utility costs at National Guard facilities.
- Provide \$100,000 in one-time funding to bolster the veterans outreach program. This program assists veterans to prepare claims for compensation, hospitalization, education and vocational training, and other entitlements from

the federal Veterans' Administration. If demonstrated that this funding significantly increases veteran participation and benefits, additional funding will be considered in FY 2007.

- Recommend \$500,000 in ongoing funds for tuition assistance for National Guard members. Currently, 2.5 percent in tuition waivers at state institutions of higher education are set aside for members of the National Guard. The waivers only apply to full-time students. This \$500,000 recommendation will help National Guard members who are part-time students with tuition assistance. Tuition waivers and tuition assistance are useful tools in recruitment and retention of National Guard members.

FY 2005 PROPOSED LEGISLATIVE INTENT

- If funds are available, Armory Maintenance is authorized to not lapse up to \$50,000 in FY 2005. These funds are for the purchase of computer equipment and software, capital equipment and improvements, and equipment and supplies.
- If funds are available, Veterans' Cemetery is authorized to not lapse up to \$50,000 in FY 2005. These funds are for the purchase of computer equipment and software, capital equipment and improvements, and equipment and supplies.

FY 2006 PROPOSED LEGISLATIVE INTENT

- Funds for the Veterans' Nursing Home are non-lapsing.
- Funds for the Veterans' Affairs program are nonlapsing.
- Funds for the Veterans' Cemetery are non-lapsing.

NATIONAL GUARD

Operating Budget

Governor Walker's Recommendations						
	Actual FY 2004	Authorized FY 2005	Supplementals	Recommended FY 2005	Base FY 2006	Ongoing and One-time Adj.
						Total FY 2006
Plan of Financing						
General Fund	\$4,279,100	\$4,498,500	\$129,300	\$4,627,800	\$4,472,600	\$931,600
Federal Funds	19,034,300	18,778,100	35,200	18,813,300	18,330,600	862,700
Dedicated Credits	117,000	98,900	0	98,900	126,600	0
Transfers	107,100	84,400	0	84,400	84,400	900
Beginning Balances	91,900	22,100	0	22,100	0	0
Closing Balances	(22,100)	0	0	0	0	0
Total Financing	\$23,607,300	\$23,482,000	\$164,500	\$23,646,500	\$23,014,200	\$1,795,200
Programs						
National Guard						
Administration	\$548,300	\$576,600	\$0	\$576,600	\$574,800	\$22,300
Armory Maintenance	22,441,200	22,289,400	164,500	22,453,900	21,808,300	1,646,400
Veterans' Affairs	208,300	227,500	0	227,500	232,000	106,800
Veterans' Cemetery	292,600	267,100	0	267,100	281,500	16,100
Veterans' Nursing Home	116,900	121,400	0	121,400	117,600	3,600
Total Budget	\$23,607,300	\$23,482,000	\$164,500	\$23,646,500	\$23,014,200	\$1,795,200
% Change from Authorized FY 2005 to Total FY 2006						5.7%
FTE Positions	-	140.0	0.0	140.0	140.0	0.0

NATIONAL GUARD

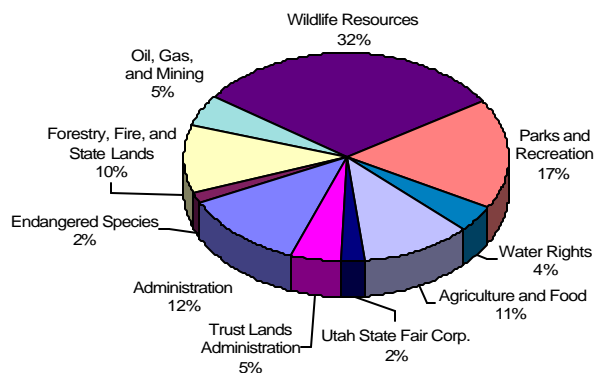
NATIONAL GUARD FY 2006 OPERATING BUDGET						
	General Fund	Federal Funds	Dedicated Credits	Restricted Funds	Other Funds	Total Funds
Beginning Base Budget						
N1 FY 2005 appropriated budget	\$4,498,500	\$20,478,200	\$1,939,300	\$0	\$84,200	\$27,000,200
N2 Adjustments for one-time FY 2005 appropriations	(25,900)	(45,600)	0	0	0	(71,500)
N3 Adjustments to funding levels	0	(2,102,000)	(18,127,000)	0	200	(3,914,500)
Total Beginning Base Budget - National Guard	4,472,600	18,330,600	126,600	0	84,400	23,014,200
Statewide Ongoing Adjustments						
N4 Cost-of-living adjustments of 3%	59,400	201,900	0	0	900	262,200
N5 Internal service fund adjustments	0	3,700	0	0	0	3,700
N6 Market comparability adjustments	86,000	438,400	0	0	0	524,400
N7 Insurance rate adjustments	41,500	137,200	0	0	0	178,700
<i>Subtotal Statewide Ongoing Adjustments - National Guard</i>	<i>286,900</i>	<i>781,300</i>	<i>0</i>	<i>0</i>	<i>900</i>	<i>969,100</i>
Ongoing Adjustments						
N8 Increase for armory maintenance	117,500	0	0	0	0	117,500
N9 Increase for maintenance at Air Guard facilities	4,800	14,200	0	0	0	19,000
N10 Increase for utility costs	22,400	67,200	0	0	0	89,600
N11 Tuition assistance	500,000	0	0	0	0	500,000
<i>Subtotal Ongoing Adjustments - National Guard</i>	<i>644,700</i>	<i>81,400</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>726,100</i>
One-time Adjustments						
N12 Outreach program for veterans	100,000	0	0	0	0	100,000
<i>Subtotal One-time Adjustments - National Guard</i>	<i>100,000</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>100,000</i>
Total FY 2006 National Guard Adjustments	931,600	862,700	0	0	900	1,795,200
Total FY 2006 National Guard Operating Budget	\$5,404,200	\$19,193,300	\$126,600	\$0	\$85,300	\$24,809,400
NATIONAL GUARD FY 2005 OPERATING BUDGET ADJUSTMENTS						
Supplemental Adjustments						
N13 Increase for armory maintenance	\$117,500	\$0	\$0	\$0	\$0	\$117,500
N14 Increase for utility costs	11,800	35,200	0	0	0	47,000
<i>Subtotal Supplemental Adjustments - National Guard</i>	<i>129,300</i>	<i>35,200</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>164,500</i>
Total FY 2005 National Guard Budget Adjustments	\$129,300	\$35,200	\$0	\$0	\$0	\$164,500
NATIONAL GUARD TOTALS						
FY 2006 Operating Base Budget	\$4,472,600	\$18,330,600	\$126,600	\$0	\$84,400	\$23,014,200
FY 2006 Operating Ongoing and One-time Adjustments	931,600	862,700	0	0	900	1,795,200
FY 2006 Operating Recommendation	5,404,200	19,193,300	126,600	0	85,300	24,809,400
FY 2005 Operating Adjustments	129,300	35,200	0	0	0	164,500



NATURAL RESOURCES

Terrah Anderson, Analyst

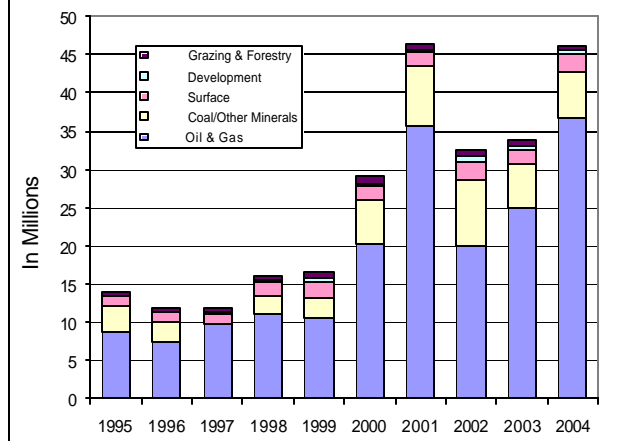
Where Will My Taxes and Fees Go for Natural Resources? (Figure Based on Total FY 2006 Funding)



Highlighted Services (Including the Governor's Recommendations)

- \$49 million for Wildlife Resources**
 - Owns and operates 10 state fish hatcheries
- \$27 million for Parks and Recreation**
 - Manages 41 state parks with 6 million visitors each year
- \$16 million for Forestry, Fire, and State Lands**
- \$12 million for Water Resources and Rights**
 - Funds about 25 water development projects annually
- \$3 million for Endangered Species**
 - Helps 11 listed endangered species and 14 sensitive species each year through approximately 44 projects
- \$31 million for other Natural Resources services**
- \$17 million for Agriculture and Food**
 - Protects the food supply from the farm to the consumer
- \$4 million for the Utah State Fair Corporation**

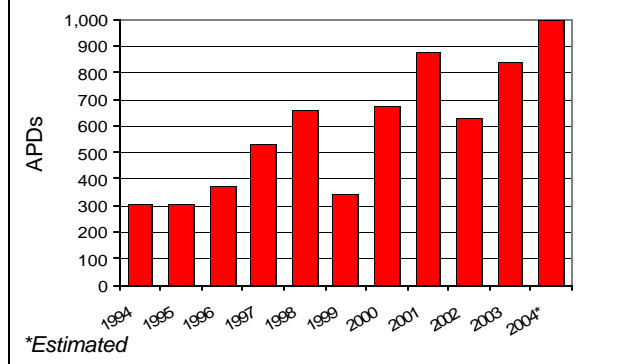
Trust Land Revenue by Type



Governor's Recommendation Highlights (All Funding Sources)

- \$2,000,000 - Parks capital development
- \$1,500,000 - DNR office building in Price
- \$1,300,000 - Wildland Fire Suppression
- \$1,000,000 - Trust Lands capital improvement
- \$729,100 - Parks facility operations
- \$446,000 - FTEs for Oil, Gas, and Mining
- \$253,000 - Roadless area plan implementation

Applications for Permit to Drill (APDs) Utah Division of Oil, Gas & Mining



APDs have increased over the last ten years (with no increase in staff), and are projected to remain at high levels for at least the next five years.

BUDGET OVERVIEW

Natural resources consists of the Department of Natural Resources (DNR), the Department of Agriculture and Food (Agriculture), the School and Institutional Trust Lands Administration (SITLA), and the Utah State Fair Corporation. Their primary focus is to conserve, protect, and develop Utah's natural resources and agriculture and to effectively manage school and institutional trust lands.

For FY 2006 the governor recommends that natural resources receive \$158,996,100 in total funds. This amount includes \$46,217,300 in General Fund, a 9.6 percent increase from the FY 2005 authorized General Fund amount. As shown on the pie chart on the previous page, the three major components of the natural resources budget are Agriculture and the DNR divisions of Parks and Recreation (Parks) and Wildlife Resources (DWR). Federal and restricted funds make up 61 percent of the natural resources budget.

In addition to fully funding health and dental rate increases, the FY 2006 recommended appropriation includes \$1,800,900 in General Fund (\$5,075,200 in total funds) to provide employees with a 3.0 percent cost-of-living salary adjustment and market comparability adjustments. Although employees were given a slight increase for FY 2005, no increases were given in FY 2003 or FY 2004. As a result, some employees' salaries have lagged significantly behind the general job market. Engineers, biologists, environmental health scientists, geologists, and support staff are just a few of the most underpaid. For example, veterinarians in Agriculture are paid 32 percent below market salary. This inadequate compensation has severe repercussions, including high turnover, inability to attract and hire qualified candidates, and rising training costs.

GOVERNOR'S RECOMMENDATIONS

General Fund

- Increase policy and planning efforts by providing \$253,000 in ongoing funds to more effec-

tively coordinate land and forest inventory with federal and local agencies and work on land management plans.

- Provide ongoing funding of \$116,500 for groundwater analysis. This funding will replace one-time funding given last year and allow the continuation of strategic aquifer studies to assist with better water management. Analyses help the state engineer make informed groundwater appropriation decisions.
- Allocate \$120,000 in one-time funding and \$80,000 in ongoing funding for Soldier Hollow golf and Utah Field House operations, respectively. Funding will accommodate new facility costs for the museum and temporary golf course needs until it begins making a profit.
- Recommend ongoing funding of \$104,000 for security and operations at Range Creek. Additional one-time funding of \$57,000 is recommended to provide a vehicle, office equipment, and basic structural repairs.
- Fund a \$100,000 FY 2005 supplemental and \$106,000 in ongoing money for river analysis to regulate water usage and install water metering systems.
- Provide ongoing funding of \$250,000 for fire dispatch centers to maintain federal partnership and quick response to wildland fires.
- Allocate \$100,000 in ongoing funds to the Utah Association of Conservation Districts to replace previously cut funds. This allocation is to be used only for conservation planners, travel reimbursements, or technical assistance grants.
- Recommend \$729,100 in ongoing funds for Parks' operations and maintenance in new and existing facilities.
- Recommend \$2,000,000 to Parks' capital budget for development, maintenance, and repairs. Currently Parks has over \$68 million

of capital needs to maintain facilities and access to state parks.

Other Funds

- Provide \$446,000 in ongoing restricted funds to fund workload expansion in the Division of Oil, Gas, and Mining. Permit applications processed by the division have tripled since 1994, with no increase in FTEs. Permit applications are projected to remain at high levels for at least the next five years.
- Allow Parks to use \$412,800 in ongoing restricted funds and \$175,800 in FY 2005 supplemental restricted funds for off-highway vehicle (OHV) projects, an additional OHV ranger, and boating law enforcement.
- Recommend \$1,500,000 in one-time Wildlife restricted funds be used to construct an office building in Price. The restricted funds will be paid back with interest from division rent payments.
- Allocate \$1,099,000 of one-time restricted funds from the Sovereign Lands Account for Great Salt Lake improvements, including removal of navigation hazards, the mandated upgrade of the Saltair sewer system, watershed work, and water studies.
- Use \$750,000 of one-time restricted funds from the DWR Hatchery Maintenance account for the rebuilding of the Mantua hatchery.

FY 2005 PROPOSED LEGISLATIVE INTENT

Natural Resources

- If funds are available, Parks is authorized to not lapse up to \$150,000 at the end of FY 2005. These funds are to be used for computer equipment and software, employee training and incentives, equipment and supplies, and special projects and studies.
- If funds are available, DNR Administration is authorized to not lapse up to \$175,000 at the

end of FY 2005. These funds are to be used for computer equipment and software, employee training and incentives, equipment and supplies, special projects and studies, capital equipment and improvements, and professional and technical services.

- If funds are available, the Division of Water Resources is authorized to not lapse up to \$112,000 at the end of FY 2005. These funds are to be used for computer equipment and software, employee training and incentives, equipment and supplies, special projects and studies, and contractual and technical services.
- If funds are available, the Division of Oil, Gas, and Mining is authorized to not lapse up to \$80,000 at the end of FY 2005. These funds are to be used for computer equipment and software, employee training and incentives, and equipment and supplies.
- If funds are available, the Division of Water Rights is authorized to not lapse up to \$150,000 at the end of FY 2005. These funds are to be used for computer equipment and software, employee training and incentives, special projects and studies, and water investigations.

Agriculture and Food

- If funds are available, Agriculture is authorized to not lapse up to \$800,000 at the end of FY 2005. These funds are to be used for the purchase of capital equipment and improvements, computer equipment and software, training and incentives, supplies, special projects or studies, and vehicle purchases.

FY 2006 PROPOSED LEGISLATIVE INTENT

Natural Resources

- Funds for the Bear Lake Regional Commission shall be expended only as a one-to-one match with the funds from the State of Idaho.

- DNR is allowed the option of transferring any lapsing unrestricted balances from appropriations in any other FY 2005 line item in the department to the FY 2006 Building Operations line item.
- If available, the Utah Geological Survey may pay up to \$200,000 in contributed capital to the Natural Resources Warehouse Internal Service Fund in order to pay down its existing debt on the Core Sample Library.
- Funds for the Minerals Reclamation program are nonlapsing.
- Up to \$250,000 will be spent on the Community Fisheries program. This funding is nonlapsing.
- Up to \$500,000 will be spent on the Blue Ribbon Fisheries program. This funding is nonlapsing.
- DWR shall enter into a contract with Agriculture for the purpose of providing predator control. The contract shall consist of \$500,000 annually in General Fund with \$150,000 being used to match funds from local governments and \$350,000 being used to supplement the amount required by Section 4-12-9 (2), UCA. Under the direction of DWR, Agriculture shall direct these funds to meet deer herd management objectives consistent with the Utah Wildlife Board predator policy.
- DWR will spend a minimum of \$265,000 to improve deer herds according to management plan objectives.
- Up to \$500,000 of the DWR budget may be used for big game depredation expense. Half of these funds will be from the General Fund Restricted - Wildlife Resources Account and half from the General Fund. These funds are nonlapsing.
- Funds from the General Fund Restricted - Wildlife Habitat Account are nonlapsing.
- Contributed Research funds are nonlapsing.
- Cooperative Environmental Studies funds are nonlapsing.
- Donations to DWR received through the Wolf Tax check-off box on the Utah state tax return shall be nonlapsing and shall be spent by DWR as follows: 1) The division shall fully and expeditiously compensate livestock owners, up to the amount of funds available, for all wolf depredation damage realized during the fiscal year. Up to \$20,000 shall carry forward to the next fiscal year if not spent during the current year for this purpose. 2) Donations in excess of \$20,000 and not otherwise expended or carried forward as required above, shall be available for wolf management expenditures.
- The DWR capital budget is nonlapsing.
- Any appropriation of a management fee to the This Is The Place foundation will not exceed \$700,000.
- Park's capital budget is nonlapsing.
- Appropriations to the Minerals Regulatory Program are nonlapsing.
- Cooperative Water Conservation program funds are nonlapsing.
- Funds appropriated to Water Rights are nonlapsing.
- Prior-year federal funds in the Dam Safety program are nonlapsing.
- If funds are available, DNR is allowed to use up to \$263,000 in nonlapsing funds to expand its motor pool fleet by four vehicles in FY 2006. These specialized vehicles are used

by the Division of Forestry, Fire, and State Lands (FFSL) in firefighting and hazardous fuels reduction activities. FFSL will provide up to \$263,000 of contributed capital to the Motor Pool Internal Service Fund within the Department of Administrative Services - Fleet Operations for the vehicles.

Agriculture and Food

- Funds for the Grain Inspection program are nonlapsing.
- The Auction Market Veterinarian collection is nonlapsing.
- Funds collected in the Organic Certification program are nonlapsing.
- Funds for the Agricultural Inspection program are nonlapsing.
- Funds for grants to charitable organizations specified under Section 57-18-3, UCA, or held by Agriculture, will be used for purchase of conservation easements for agricultural protection. These funds are nonlapsing.
- DWR shall enter into a contract with Agriculture for the purpose of providing predator control. The contract shall consist of \$500,000 annually in General Fund with \$150,000 being used to match funds from local governments and \$350,000 being used to supplement the amount required by Section 4-12-9 (2), UCA. Under the direction of DWR, Agriculture shall direct these funds to meet deer herd management objectives consistent with the Utah Wildlife Board predator policy.

- Funds for Predator Animal Control are nonlapsing.
- Collections for the Ag Tag license plate are nonlapsing.
- The Soil Conservation Districts will submit annual reports documenting supervisory expenses to the Office of the Legislative Fiscal Analyst, the Governor's Office of Planning and Budget, and the Soil Conservation Commission. These documents will be reviewed and reported to the governor and the 2006 legislature.
- Funding approved for Soil Conservation District elections is nonlapsing and will be spent only during even-numbered years when elections take place.
- The \$100,000 funding increase for the Utah Association of Conservation Districts may only be used for conservation planners, travel reimbursements, or technical assistance grants.
- The Brand Bureau shall seek information on the creation of reciprocal fee agreements with neighboring states in order to eliminate double inspection charges sometimes incurred when crossing state lines.

Utah State Fair Corporation

- Funds for the Utah State Fair Corporation are nonlapsing.

NATURAL RESOURCES

Operating Budget

Governor Walker's Recommendations						
	Actual FY 2004	Authorized FY 2005	Supplementals	Recommended FY 2005	Base FY 2006	Total FY 2006
Plan of Financing						
General Fund	\$41,597,800	\$42,156,700	\$1,605,000	\$43,761,700	\$41,821,900	\$46,217,300
Federal Funds	29,538,800	28,433,400	0	28,433,400	28,061,100	29,291,200
Dedicated Credits	13,985,900	12,939,600	0	12,939,600	12,027,500	12,536,300
Mineral Lease	1,429,900	1,498,500	0	1,498,500	1,542,600	1,542,600
Restricted and Trust Funds	57,737,000	60,434,000	984,900	61,418,900	58,793,100	66,929,100
Transfers	2,756,100	1,445,500	0	1,445,500	1,412,300	1,412,300
Other Funds	175,000	175,000	0	175,000	175,000	240,400
Pass-through Funds	135,900	0	0	0	0	0
Beginning Balances	6,755,700	7,207,400	0	7,207,400	2,239,400	2,239,400
Closing Balances	(7,207,400)	(2,239,400)	0	(2,239,400)	(712,500)	(712,500)
Lapsing Funds	(8,420,100)	(3,448,000)	0	(3,448,000)	(700,000)	(700,000)
Total Financing	\$138,484,600	\$148,602,700	\$2,589,900	\$151,192,600	\$144,660,400	\$158,996,100
Programs						
Natural Resources						
Administration	\$2,893,400	\$3,386,700	\$0	\$3,386,700	\$3,116,600	\$4,125,200
Endangered Species	2,597,500	3,207,000	0	3,207,000	3,000,000	3,005,400
Building Operations	1,660,600	1,660,700	0	1,660,700	1,660,700	1,660,700
Energy Services	2,597,600	2,885,200	0	2,885,200	2,882,400	2,935,300
Forestry, Fire, and State Lands	14,897,300	14,933,400	800,000	15,733,400	13,625,400	16,372,000
Oil, Gas, and Mining	6,488,700	7,483,800	0	7,483,800	7,366,500	8,332,300
Wildlife Resources	33,905,400	37,155,100	0	37,155,100	39,433,300	43,188,100
Contributed Research	1,394,200	353,400	0	353,400	353,400	356,500
Cooperative Studies	5,814,800	5,031,000	0	5,031,000	5,024,500	5,166,800
Parks and Recreation	22,935,000	25,472,900	(54,200)	25,418,700	24,760,000	27,390,100
Geological Survey	4,624,400	5,888,200	0	5,888,200	5,267,500	5,654,800
Water Resources	4,743,900	4,685,800	0	4,685,800	4,594,600	4,893,000
Water Rights	6,078,900	6,426,100	100,000	6,526,100	6,287,600	6,846,300
<i>Subtotal Natural Resources</i>	<i>110,631,700</i>	<i>118,569,300</i>	<i>845,800</i>	<i>119,415,100</i>	<i>117,372,500</i>	<i>129,926,500</i>
Agriculture and Food						
Administration	17,471,600	18,289,400	444,100	19,233,500	16,113,300	17,359,200
<i>Subtotal Agriculture and Food</i>	<i>17,471,600</i>	<i>18,789,400</i>	<i>444,100</i>	<i>19,233,500</i>	<i>16,113,300</i>	<i>17,359,200</i>
Utah State Fair Corporation						
Operations	3,524,000	3,723,100	0	3,723,100	3,685,600	3,685,600
<i>Subtotal Utah State Fair Corp.</i>	<i>3,524,000</i>	<i>3,723,100</i>	<i>0</i>	<i>3,723,100</i>	<i>3,685,600</i>	<i>3,685,600</i>
Trust Lands Administration						
Operations	6,857,300	7,520,900	0	7,520,900	7,489,000	8,024,800
<i>Subtotal Trust Lands Admin.</i>	<i>6,857,300</i>	<i>7,520,900</i>	<i>0</i>	<i>7,520,900</i>	<i>7,489,000</i>	<i>8,024,800</i>
Wildland Fire Suppression Fund						
Restricted Funds	0	0	1,300,000	1,300,000	0	0
<i>Subtotal Wildland Fire Supp.</i>	<i>0</i>	<i>0</i>	<i>1,300,000</i>	<i>1,300,000</i>	<i>0</i>	<i>0</i>
Total Budget	\$138,484,600	\$148,602,700	\$2,589,900	\$151,192,600	\$144,660,400	\$158,996,100
% Change from Authorized FY 2005 to Total FY 2006	--	1,571.6	4.5	1,576.1	1,560.7	7.8%
FTE Positions				19.2		1,579.9

NATURAL RESOURCES

Capital Budget

Governor Walker's Recommendations							
	Actual FY 2004	Authorized FY 2005	Supplementals	Recommended FY 2005	Base FY 2006	Ongoing and One-time Adj.	Total FY 2006
Plan of Financing							
General Fund	\$2,476,500	\$2,476,500	\$0	\$2,476,500	\$2,476,500	\$2,000,000	\$4,476,500
Federal Funds	6,054,900	5,500,000	0	5,500,000	5,500,000	0	5,500,000
Dedicated Credits	602,100	25,000	0	25,000	25,000	0	25,000
Restricted and Trust Funds	5,905,000	5,880,000	1,000,000	6,880,000	5,880,000	1,000,000	6,880,000
Transfers	2,100,000	(1,232,300)	0	(1,232,300)	(1,232,300)	0	(1,232,300)
Beginning Balances	12,388,800	7,897,900	0	7,897,900	250,000	0	250,000
Closing Balances	(7,897,900)	(250,000)	0	(250,000)	0	0	0
Lapsing Funds	(294,300)	(205,000)	0	(205,000)	0	0	0
Total Financing	\$21,335,100	\$20,092,100	\$1,000,000	\$21,092,100	\$12,899,200	\$3,000,000	\$15,899,200
Projects							
Natural Resources							
Wildlife Resources							
Fisheries	\$6,524,100	\$6,842,500	\$0	\$6,842,500	\$6,555,000	\$0	\$6,555,000
Soldier Hollow Golf Course	807,100	700,000	0	700,000	700,000	0	700,000
Park Renovation	347,900	489,000	0	489,000	125,000	2,000,000	2,125,000
Acquisition and Development	5,864,800	2,556,800	0	2,556,800	114,200	0	114,200
Boating Access Grants	1,906,000	1,966,800	0	1,966,800	700,000	0	700,000
Off-Highway Vehicle Grants	830,100	2,049,600	0	2,049,600	175,000	0	175,000
Riverway Enhancement and Trails	1,099,400	1,487,600	0	1,487,600	530,000	0	530,000
Water Resources							
Revolving Construction Fund	539,100	539,100	0	539,100	539,100	0	539,100
Conservation/Development Fund	1,043,200	1,043,200	0	1,043,200	1,043,200	0	1,043,200
Transfer Appropriations to Loan Funds	(1,582,300)	(1,582,300)	0	(1,582,300)	(1,582,300)	0	(1,582,300)
<i>Subtotal Natural Resources</i>	<i>17,399,400</i>	<i>16,092,100</i>	<i>0</i>	<i>16,092,100</i>	<i>8,899,200</i>	<i>2,000,000</i>	<i>10,899,200</i>
Trust Lands Administration							
Development and Improvement	3,935,700	4,000,000	1,000,000	5,000,000	4,000,000	1,000,000	5,000,000
<i>Subtotal Trust Lands Administration</i>	<i>3,935,700</i>	<i>4,000,000</i>	<i>1,000,000</i>	<i>5,000,000</i>	<i>4,000,000</i>	<i>1,000,000</i>	<i>5,000,000</i>
Total Budget	\$21,335,100	\$20,092,100	\$1,000,000	\$21,092,100	\$12,899,200	\$3,000,000	\$15,899,200
% Change from Authorized FY 2005 to Total FY 2006							(20.9%)

NATURAL RESOURCES

NATURAL RESOURCES FY 2006 OPERATING BUDGET							
	General Fund	Federal Funds	Dedicated Credits	Mineral Lease	Restricted Funds	Other Funds	Total Funds
Beginning Base Budget							
M1 FY 2005 appropriated budget	\$31,373,600	\$26,005,700	\$8,169,800	\$809,400	\$51,158,400	\$497,200	\$118,014,100
M2 Adjustments for one-time FY 2005 appropriations	(3,100)	(118,200)	(32,200)	(5,700)	(1,007,900)	0	(1,167,100)
M3 Adjustments to funding levels	0	3,800	(775,600)	738,900	(350,600)	1,109,000	525,500
Total Beginning Base Budget - Natural Resources	31,370,500	25,891,300	7,362,000	1,542,600	49,599,900	1,606,200	117,372,500
Statewide Ongoing Adjustments							
M4 Cost-of-living adjustments of 3%	549,900	333,300	80,400	0	770,400	21,900	1,755,900
M5 Internal service fund adjustments	136,900	84,800	1,600	0	149,000	400	372,700
M6 Market comparability adjustments	769,100	418,500	197,300	0	1,011,000	30,700	2,426,600
M7 Insurance rate adjustments	304,600	213,800	38,600	0	458,500	12,400	1,027,900
Subtotal Statewide Ongoing Adjustments - Natural Resources	1,760,500	1,050,400	317,900	0	2,388,900	65,400	5,583,100
Ongoing Adjustments							
M8 Roadless Area Coordinator Program	253,000	0	0	0	0	0	253,000
M9 UGS - groundwater analysis	116,500	0	0	0	0	0	116,500
M10 Parks - UPH Natural History operations	80,000	0	0	0	0	0	80,000
M11 DWR - Range Creek	104,000	0	0	0	0	0	104,000
M12 Water rights - river system analysis	106,000	0	0	0	0	0	106,000
M13 Parks - new and existing facility operations	729,100	0	0	0	0	0	729,100
M14 Parks - museum artifacts insurance	30,000	0	0	0	0	0	30,000
M15 FFSL - fire dispatch centers	250,000	0	0	0	0	0	250,000
M16 FFSL - fire control enhancements	0	0	0	0	380,000	0	380,000
M17 Administration - Safety Coordinator Motorpool ISF	0	0	92,300	0	0	0	92,300
M18 OGM - Oil and Gas workload expansion	0	0	0	0	446,000	0	446,000
M19 Parks - off-highway vehicle projects	0	0	0	0	273,900	0	273,900
M20 Parks - boating law enforcement	0	0	0	0	68,900	0	68,900
M21 Parks - off-highway vehicle ranger	0	0	0	0	70,000	0	70,000
M22 FFSL - GSL ecosystem management	0	0	0	0	325,000	0	325,000
Subtotal Ongoing Adjustments - Natural Resources	1,668,600	0	92,300	0	1,563,800	0	3,324,900
One-time Adjustments							
M23 DWR - Range Creek	57,000	0	0	0	0	0	57,000
M24 FFSL - GSL sewer installation	0	0	0	0	195,000	0	195,000
M25 FFSL - Lone Peak water line easement	0	0	0	0	50,000	0	50,000
M26 FFSL - tractor replacement	0	0	0	0	70,000	0	70,000
M27 FFSL - Great Salt Lake improvements	0	0	0	0	904,000	0	904,000

NATURAL RESOURCES - CONTINUED

	General Fund	Federal Funds	Dedicated Credits	Mineral Lease	Restricted Funds	Other Funds	Total Funds
M28 DWR - Price office building	0	0	0	0	1,500,000	0	1,500,000
M29 Parks - Soldier Hollow golf funding	120,000	0	0	0	0	0	120,000
M30 DWR - hatchery maintenance	0	0	0	0	750,000	0	750,000
<i>Subtotal One-time Adjustments - Natural Resources</i>	177,000	0	0	0	3,469,000	0	3,646,000
Total FY 2006 Natural Resources Adjustments	3,606,100	1,050,400	40,400	0	7,421,700	65,400	12,554,000
Total FY 2006 Natural Resources Operating Budget	\$34,976,600	\$26,941,700	\$7,772,400	\$1,542,600	\$87,021,600	\$1,671,600	\$129,926,500
NATURAL RESOURCES FY 2005 OPERATING BUDGET ADJUSTMENTS							
Supplemental Adjustments							
M31 Water Rights - water metering system	\$100,000	\$0	\$0	\$0	\$0	\$0	\$100,000
M32 Parks - museum artifacts insurance	30,000	0	0	0	0	0	30,000
M33 Parks - OHV operations	0	0	0	0	26,900	0	26,900
M34 Parks - boating law enforcement	0	0	0	0	68,900	0	68,900
M35 Parks - OHV ranger	0	0	0	0	70,000	0	70,000
M36 Parks - OHV Shoshone trail	0	0	0	0	(260,000)	0	(260,000)
M37 FFSL - Utah Lake court order	0	0	0	0	450,000	0	450,000
M38 FFSL - Forest Point oil wells	0	0	0	0	50,000	0	50,000
M39 FFSL - communications equipment	0	0	0	0	300,000	0	300,000
<i>Subtotal Supplemental Adjustments - Natural Resources</i>	130,000	0	0	0	715,800	0	845,800
Total FY 2005 Natural Resources Budget Adjustments	\$130,000	\$0	\$0	\$0	\$715,800	\$0	\$845,800
NATURAL RESOURCES FY 2006 CAPITAL BUDGET							
Base Budget							
M40 FY 2005 appropriate dbudget (excluding appropriations for loans)	\$2,476,500	\$2,861,000	\$2.5,000	\$0	\$1,880,000	(\$1,582,300)	\$5,660,200
M41 Adjustments to funding levels	0	2,639,000	0	0	0	600,000	3,239,000
Total FY 2006 Natural Resources Capital Base Budget	2,476,500	5,500,000	25,000	0	1,880,000	(982,300)	8,899,200
One-time Adjustments							
M42 Parks - capital development	2,000,000	0	0	0	0	0	2,000,000
<i>Subtotal One-time Capital Adjustments - Natural Resources</i>	2,000,000	0	0	0	0	0	2,000,000
Total FY 2006 Natural Resources Capital Adjustments	2,000,000	0	0	0	0	0	2,000,000
Total FY 2006 Natural Resources Capital Budget	\$4,476,500	\$5,500,000	\$25,000	\$0	\$1,880,000	(\$982,300)	\$10,899,200

NATURAL RESOURCES - CONTINUED

AGRICULTURE AND FOOD FY 2006 OPERATING BUDGET						
Beginning Base Budget						
	General Fund	Federal Funds	Dedicated Credits	Mineral Lease	Restricted Funds	Other Funds
M43 FY 2005 appropriated budget	\$9,989,800	\$2,183,500	\$2,358,600	\$0	\$1,754,700	\$55,900
M44 Adjustments for one-time FY 2005 appropriations	(331,700)	(13,700)	(9,100)	0	(50,500)	0
M45 Adjustments to funding levels	0	0	(349,800)	0	0	725,600
Total Beginning Base Budget - Agriculture and Food	9,658,100	2,169,800	1,799,700	0	1,704,200	781,500
Statewide Ongoing Adjustments						
M46 Cost-of-living adjustments of 3%	189,000	27,000	30,600	0	21,900	0
M47 Internal service fund adjustments	2,900	(6,500)	(1,100)	0	1,000	0
M48 Market comparability adjustments	292,900	44,200	40,600	0	66,200	0
M49 Insurance rate adjustments	143,100	21,900	28,300	0	22,400	0
<i>Subtotal Statewide Ongoing Adjustments - Ag and Food</i>	<i>627,900</i>	<i>86,600</i>	<i>98,400</i>	<i>0</i>	<i>111,500</i>	<i>0</i>
Ongoing Adjustments						
M50 Grant tracking analyst and technician	0	90,700	0	0	0	0
M51 Market News	35,000	0	0	0	0	0
M52 Resource Conservation staff support	20,000	0	0	0	0	0
M53 Contract veterinarian	2,400	2,400	0	0	0	0
M54 Soil Conservation Commission	4,000	0	0	0	0	0
M55 Utah Association of Conservation Districts	100,000	0	0	0	0	0
<i>Subtotal Ongoing Adjustments - Ag and Food</i>	<i>161,400</i>	<i>93,100</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
One-time Adjustments						
M56 Brand renewal	0	0	0	0	67,000	0
<i>Subtotal One-time Adjustments - Ag and Food</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>67,000</i>	<i>0</i>
Total FY 2006 Agriculture and Food Adjustments	789,300	179,700	98,400	0	178,500	0
Total FY 2006 Agriculture and Food Operating Budget	\$10,447,400	\$2,349,500	\$1,898,100	\$0	\$1,882,700	\$781,500
AGRICULTURE AND FOOD FY 2005 OPERATING BUDGET ADJUSTMENTS						
Supplemental Adjustments						
M57 Registration program	\$175,000	\$0	\$0	\$0	\$0	\$0
M58 IT equipment upgrade and staff (ISF funds)	0	0	0	0	269,100	0
<i>Subtotal Supplemental Adjustments - Agriculture and Food</i>	<i>175,000</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>269,100</i>	<i>0</i>
Total FY 2005 Agriculture and Food Budget Adjustments	\$175,000	\$0	\$0	\$0	\$269,100	\$0
Total FY 2005 Agriculture and Food Budget	\$9,833,100	\$2,169,800	\$1,799,700	\$0	\$1,973,300	\$781,500

NATURAL RESOURCES - CONTINUED

UTAH STATE FAIR CORPORATION FY 2006 OPERATING BUDGET							
	General Fund	Federal Funds	Dedicated Credits	Mineral Lease	Restricted Funds	Other Funds	Total Funds
Beginning Base Budget							
M61 FY 2005 appropriate budget	\$793,300	\$0	\$2,838,200	\$0	\$0	(\$98,500)	\$3,533,000
M60 Adjustments to funding levels	0	0	27,600	0	0	125,000	152,600
Total Beginning Base Budget - Utah State Fair Corporation	793,300	0	2,865,800	0	0	26,500	3,685,600
Total FY 2006 State Fair Corporation Operating Budget	\$793,300	\$0	\$2,865,800	\$0	\$0	\$26,500	\$3,685,600
TRUST LANDS ADMINISTRATION FY 2006 OPERATING BUDGET							
	General Fund	Federal Funds	Dedicated Credits	Mineral Lease	Restricted Funds	Other Funds	Total Funds
Beginning Base Budget							
M61 FY 2005 appropriate budget	\$0	\$0	\$0	\$0	\$7,520,900	\$0	\$7,520,900
M62 Adjustments for FY 2005 extra working day	0	0	0	0	(31,900)	0	(31,900)
Total Beginning Base Budget - Trust Lands Administration	0	0	0	0	7,489,000	0	7,489,000
Statewide Ongoing Adjustments							
M63 Cost-of-living adjustments of 3%	0	0	0	0	115,800	0	115,800
M64 Internal service fund adjustments	0	0	0	0	1,300	0	1,300
M65 Market comparability adjustments	0	0	0	0	64,500	0	64,500
M66 Insurance rate adjustments	0	0	0	0	600	0	600
<i>Subtotal Statewide Ongoing Adjustments - Trust Lands Admin</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>182,200</i>	<i>0</i>	<i>182,200</i>
Ongoing Adjustments							
M67 Exchange program	0	0	0	0	200,000	0	200,000
M68 Attorneys fees/legal costs	0	0	0	0	25,000	0	25,000
M69 Office technician	0	0	0	0	30,000	0	30,000
M70 Increased rent for Moab office	0	0	0	0	5,000	0	5,000
M71 Vehicle for St. George office	0	0	0	0	8,600	0	8,600
<i>Subtotal Ongoing Adjustments - Trust Lands Administration</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>268,600</i>	<i>0</i>	<i>268,600</i>
One-time Adjustments							
M72 Investigator	0	0	0	0	85,000	0	85,000
<i>Subtotal One-time Adjustments - Trust Lands Administration</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>85,000</i>	<i>0</i>	<i>85,000</i>
Total FY 2006 Trust Lands Administration Adjustments	0	0	0	0	535,800	0	535,800
Total FY 2006 Trust Lands Administration Operating Budget	\$0	\$0	\$0	\$0	\$8,024,800	\$0	\$8,024,800

NATURAL RESOURCES - CONTINUED

TRUST LANDS ADMINISTRATION FY 2006 CAPITAL BUDGET							
General Fund	Federal Funds	Dedicated Credits	Mineral Lease	Restricted Funds	Other Funds	Total Funds	
Base Budget							
MO3 FY 2005 appropriate d budget	\$0	\$0	\$0	\$4,000,000	\$0	\$0	\$4,000,000
Total FY 2006 Trust Lands Admin. Capital Base Budgets	0	0	0	4,000,000	0	0	\$4,000,000
Ongoing Adjustments							
MO4 Development operations - capital improvements	0	0	0	1,000,000	0	0	1,000,000
Subtotal Ongoing Capital Adjustments - Trust Lands Admin	0	0	0	1,000,000	0	0	1,000,000
Total FY 2006 Trust Lands Admin. Capital Adjustments	0	0	0	1,000,000	0	0	1,000,000
Total FY 2006 Trust Lands Administration Capital Budget	\$0	\$0	\$0	\$5,000,000	\$0	\$0	\$5,000,000
TRUST LANDS ADMINISTRATION FY 2005 CAPITAL BUDGET ADJUSTMENTS							
Supplemental Adjustments							
MO5 Development operations - capital improvements	\$0	\$0	\$0	\$1,000,000	\$0	\$0	\$1,000,000
Subtotal Supplemental Adjustments - Trust Lands Admin Capital	0	0	0	1,000,000	0	0	1,000,000
Total FY 2005 Trust Lands Administration Capital Adjustments	\$0	\$0	\$0	\$1,000,000	\$0	\$0	\$1,000,000
WILDLAND FIRE SUPPRESSION FUND FY 2005 OPERATING BUDGET ADJUSTMENTS							
Supplemental Adjustments							
MO6 Wildland fire suppression	\$1,300,000	\$0	\$0	\$0	\$0	\$0	\$1,300,000
Subtotal Supplemental Adjustments - Wildland Fire Supp. Fund	1,300,000	0	0	0	0	0	1,300,000
Total FY 2005 Wildland Fire Supp. Fund Budget Adjustments	\$1,300,000	\$0	\$0	\$0	\$0	\$0	\$1,300,000
NATURAL RE SOURCES TOTALS							
FY 2006 Operating Base Budget	\$41,821,900	\$28,061,100	\$12,027,300	\$1,542,600	\$58,793,100	\$2,414,200	\$144,660,400
FY 2006 Operating Ongoing and One-time Adjustments	4,395,400	1,230,100	508,800	0	8,136,000	65,400	14,335,700
FY 2006 Operating Recommendation	46,217,300	29,291,200	12,536,300	1,542,600	66,929,100	2,479,600	158,996,100
FY 2005 Operating Adjustments	1,605,000	0	0	0	984,900	0	2,589,900
FY 2006 Capital Base Budget	2,476,500	5,500,000	25,000	0	5,880,000	(982,300)	12,899,200
FY 2006 Capital Ongoing and One-time Adjustments	2,000,000	0	0	0	1,000,000	0	3,000,000
FY 2006 Capital Recommendation	4,476,500	5,500,000	25,000	0	6,880,000	(982,300)	15,899,200
FY 2005 Capital Adjustments	0	0	0	0	1,000,000	0	1,000,000